



## **Arlington Contributory Retirement Board**

Date: February 22, 2018

Time: 4:30 PM

Location: Senior Center Ground Floor Conference Room

### **Minutes**

**Board Members present:** Chairman John Bilafer, Richard Keshian, Kenneth Steele, and Kenneth Hughes. The Ex-Officio position is still open as of this meeting.

**Guest:** Mr. Aneish Arora and Dan Dyann of Meketa Investments

### **Call to order Regular Monthly Meeting**

Chairman Bilafer called the regular meeting to order at 4:30 P.M

### **Meketa Investment OPEB 2017 Review**

Mr. Dyann started the presentation by asking if he should assume that Meketa was selected as the consultant for the Arlington OPEB Portfolio because they were asked to present the 2017 return numbers.

Mr. Greco informed Mr. Dyann that there is a tabled motion from the January 2018 meeting on the final vote of who will be the consultant when the new Comptroller is hired. Mr. Greco added from what he has been told by Town Officials that they may not happen until the April scheduled meeting at the earliest.

Chairman Bilafer then said he did not see a reason to wait that long to make a decision unless the vote were tied. The Chairman then said he would accept to take the previous motion of the table and vote for a consultant for the OPEB Portfolio.

Mr. Steele made a motion that as a result of the previous presentations by Meketa, Rockland Trust and Boston Partners that Meketa be retained as the OPEB Portfolio Consultant, seconded by Mr. Hughes. The motion was approved by unanimous vote.

Mr. Dyann and Mr. Arora thanked the Board and said they would bring to the next meeting and updated contract agreement for the Board to review.

Mr. Arora as part of the presentation to the Board prepared a detailed handout containing performance of the OPEB Fund as of January 31, 2018. This was presented to the members of the Board and will become part of the records of the Boards.

Mr. Arora informed the Board that the OPEB Trust from January 31, 2017 to January 31, 2018 had returned of 17.8% net of fees and for calendar year 2016 the return number was 16.2% net of fees and the asset total was 13 million dollars. Mr. Arora added that the return on investment from December 2010 until January 31, 2018 was inception was 8.1% net of fees.

Chairman Bilafer stated he knew that PRIT asset allocation is different from Arlington OPEB strategy but he asked how Meketa's percentage compared to the PRIT Fund. Mr. Arora told the Board that the PRIT Fund for calendar year 2017 returned 17.1 % net of fees.

Mr. Dyann then discussed with the Board the performance of the asset classes. Mr. Dyann asked the Board to look at page 11 of 34 of the handout which, showed a breakdown of returns by asset class. Mr. Dyann pointed out to the Board that Domestic and International Equities had an average return of approximately 26% and the Investment Bond, Short Term Bonds and TIPS averaged approximately 2.5% and the High Yield Bonds averaged 7.1%. Mr. Dyann stated that this would be expected returns in up market like 2017 that the equities perform well and bond do not and in a down market the bonds outperform equities which is why the portfolio is diversified.

Mr. Arora told the Board that at this time all the asset classes were with the current investment policy ranges and rebalancing was not necessary at this time.

Mr. Arora then asked the Board if they had come to decision on assumed annual rate of return percentage as discussed the previous meeting with Meketa. Mr. Steele made a motion that the assumed annual rate of return for the OPEB portfolio be 7.25 starting in 2018, seconded by Mr. Hughes. The motion was approved by unanimous vote.

#### **Motion and vote to approve Expense Warrants #2-2018, #3-2018 and Payroll Warrant February 2018**

After review and discussion, Mr. Keshian made a motion to approve the Expense Warrants 2 for 2018, 3-2018 and the February 2018 Payroll Warrants for payment, seconded by Mr. Steele. The motion was approved by unanimous vote.

#### **Motion and vote to approve Minutes for January 25, 2018**

After review and discussion Mr. Keshian made a motion to approve the January 25, 2018 Minutes, seconded by Mr. Steele. The motion was approved by unanimous vote.

### **Motion and vote to approve December 2017 Trial Balances**

After review and discussion Mr. Steele made a motion to approve the December 2017 Trial Balance, seconded by Mr. Keshian. The motion was approved by unanimous vote

### **Motion to approve new town member**

After review and discussion Mr. Keshian made a motion to approve Mr. Ciampa membership, seconded by Mr. Steele. The motion was approved by unanimous vote

<u><b>Name</b></u>	<u><b>Date of Membership</b></u>	<u><b>Percentage</b></u>	<u><b>Position</b></u>
Michael Ciampa	01-29-2018	9+2%	Building Inspector

### **Motion to approve new school members**

After review and discussion Mr. Steele made a motion to approve the new school employee listed below, seconded by Mr. Keshian. The motion was approved by unanimous vote

<u><b>Name</b></u>	<u><b>Date of Membership</b></u>	<u><b>Percentage</b></u>	<u><b>Position</b></u>
Peter Antonakas	01-10-2018	9+2%	Teacher Assistant
Chuanban Wang	01-29-2018	9+2%	Bus Driver

### **Motion and vote a rollover of accumulated deductions for Francis Ortiz in the amount of \$ 22,120.02. Mr. Ortiz had 5 years of creditable service working for the Town as a Community Safety Dispatcher.**

After review and discussion Mr. Steele made a motion to approve Mr. Ortiz's rollover, seconded by Mr. Hughes. The motion was approved by unanimous vote

### **New Business**

#### **Robert Cronin Veteran Status**

Mr. Greco informed the Board that Mr. Cronin who works for AHA with approximately 18 years of creditable service. Mr. Cronin asked Mr. Greco about his veterans status. Mr. Greco told the Board that Mr. Cronin had been sent a veteran's buyback form in 2002 when the veterans buyback law changed from 10 years to 1 year for veterans to be eligible to purchase their veterans time back. Mr. Cronin was sent a registered letter in 2002 to confirm receipt of his letter after he did respond to the original veterans letter. In Mr. Cronin's file was a signature on the registered mail receipt but it was not his it was a family member living at his home. Mr. Cronin asked that based on him never receiving the offer to purchase the time would the Board consider allowing him to purchase his 5 months active service time. After review and discussion the Chairman instructed Mr. Greco to check with Mr. Cronin and confirm he will purchase this time if the Board agrees to allow him a second chance at purchasing it.

**Motion vote on a Chapter 32 Section 3 (5) Make-up for Urvi Agarwalla**

After review and discussion Mr. Steele made a motion to accept 9 months of liability for Urvi Agarwalla for the time Ms. Agarwalla was in Middlesex County and not a member if she purchases the time while a member of the Arlington system, seconded by Mr. Hughes. The motion was approved by unanimous vote.

**COLA Voted**

Mr. Greco informed the Board that the Director of Human Resources Caryn Malloy confirmed that raises will be offered to employees and per the Board's agreement with the Finance Committee the Board can schedule and vote a COLA for the retirees of 3% of \$15,000. Mr. Keshian made a motion to schedule a COLA vote for the March 29, 2018, seconded by Mr. Hughes. The motion was approved by unanimous vote.

**Paul Comeau position clarification**

Mr. Greco informed the Board that Mr. Comeau has reached out to him and Mr. Hughes regarding his position and job grade for 90C as compared to current position of the Supervisor of Custodian. Chairman Bilafer instructed Mr. Greco to work with the Human Resource Director in deterring the difference in the current position and when Mr. Comeau retired and the Board will review and determine is status when all the informant is compiled.

**Adjourn**

At 6:15 PM Mr. Hughes made a motion to adjourn the meeting, seconded by Mr. Steele. The motion was approved by unanimous vote

**Respectfully submitted,**

**Richard S. Greco**  
**Retirement Administrator**

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**John J. Bilafer, Chairman and Elected**

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**Richard Keshian, Appointed**

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**Ken Steele, Board Appointed**

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**Kenneth Hughes, Elected**

Not Filled

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**Comptroller, Ex-Officio**